

The Macomb Daily

Hackel presents balanced budget to Macomb County board

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Layoffs, freezes, concessions, furloughs used

For the first time in several years, the county will have a balanced budget in 2012 that does not rely upon the “rainy day” fund or money transfers.

The \$450 million budget presented to the Board of Commissioners on Tuesday features layoffs, hiring freezes, employee concessions, health care cuts and unpaid “furlough days.” The cuts mean that huge budget deficits predicted for 2012 just a year ago are now gone.

“We started out with a \$23 million gap that we inherited and we got that down to a \$48,000 surplus,” said Pete Provenzano, the new finance director under County Executive Mark Hackel. Because the county’s millage rate is already at the maximum, taxes are not a factor in the new budget.

Since 2003, the county had seen its rainy day fund — the accumulated fund balance from previous years — shrink for several years as the commissioners struggled to balance the budget amidst falling property tax revenues.

In 2009-10 the county’s finances began to bounce back and this year, under the new charter/executive form of government, Provenzano has emphasized the need to stop dipping into the fund balance.

In the proposed budget for 2012, the general fund stands at \$193 million, a decrease of \$6 million, or 3 percent less spending.

Though several departments will bear the brunt of the cutbacks, the distribution of county services will remain substantially intact. Public safety – consisting mostly of the Sheriff’s Department and the Emergency Services Department – takes up 32 percent of the general fund. General government services – a wide array of programs – is allocated 20 percent of the budget and the judicial system, including the Prosecutor’s Office, stands at 16 percent.

The Provenzano plan could still face adjustments but the commissioners gave it good reviews.

“We feel that we will end up with less than 10 layoffs budget-wide,” Provenzano said. “Our goal is to have as close to zero layoffs as possible.

Many of the jobs slated for elimination will not require a layoff because they are positions that are vacant or held by a worker who is retiring. In some cases, they are positions in which workers will be transferred to other spots within the county.

The positions slated to be eliminated or frozen, by department, are: Circuit Court, seven; Prosecutor's Office, six, with one part-time post; Sheriff, three; Senior Citizen Services, three full-time and seven part-time; Property Equalization, one; Facilities and Operations, eight; Health Department, six and one part-time spot; Information Technology, four; and Probate Court, one.

Other savings will come from the Martha T. Berry Medical Care Facility and the dismantling of the county library. In some cases the expiration of federal grants will lower the overall budget by millions of dollars.

The biggest change comes in the category of community services grants, which consisted mostly of \$5 million in temporary funds from the federal economic stimulus plan but for 2012 will drop to \$482,000.

Some savings are also just estimates at this point because labor negotiations continue with all of the county's bargaining units and the open enrollment period for choosing a health care plan is just coming to a close.

Under a new state law pushed by Gov. Rick Snyder, limits are placed on public employees' health care policies. County employees will still contribute nothing to their insurance premiums but those who stick with an expensive policy will subsequently see their deductibles and co-pays rise.

The proposed budget goes next to a public hearing on Dec. 13. After the hearing, the board will consider amendments and then vote to tentatively approve the spending plan.